OFFICE OF THE CHIEF FINANCIAL OFFICER
CONTROLLER OPERATIONS DIVISION
ACCOUNTING PROCESSING BRANCH

FISCAL YEAR 2010 YEAR-END PROCEDURES
FOR ALL AGENCIES IN THE
FOUNDATION FINANCIAL INFORMATION SYSTEM

I. **PURPOSE AND APPLICATION**

This memorandum provides the specific requirements for recording obligations as of September 30, 2010, and submitting period-end estimates in lieu of actual obligation documents.

Compliance with these requirements will ensure that final financial reports are complete and valid with supporting documentary evidence as prescribed by fiscal law.

Although actual obligations are recorded officially in the Foundation Financial Information System (FFIS) records, there are normal delays in recording some obligations prior to the due date for the final financial reports. It is critical for your agency to process period-end estimates to cover obligations that may not have been received, nor yet processed in a feeder system by close of business (COB), September 24, 2010. Obligations input to the feeder systems through September 24, 2010, will be updated and available for review on September 27, 2010.

Integrated Acquisition System (IAS), September 29, 2010, is the last day payment transactions will be processed in the administrative feeder systems for FY 2010. Please take the necessary steps to ensure that all documents for payment for FY 2010 are transmitted or mailed in time to be processed and scheduled for payment by September 26, 2010. All documents scheduled for payment **after** September 26, 2010, will be processed as FY 2011 business.

Please note: The Office of the Chief Financial Officer and the Office of Inspector General have established **October 27, 2010,** as the date for submission of final, unaudited FY 2010 USDA Financial Statements. This date results in compressed periods for the production and review of these financial reports.

Below are the Controller Operations Division's (COD) cutoff dates for the submission of documents and electronic transmissions for Fiscal Year-end 2010 processing:

- IAS will be available for processing and disbursing until 8:00 PM (CDT), September 29, 2010, for all agencies. Please see IAS Exhibit I at the end of this procedural document addressing agencies' procurement concerns.
- Payment transactions must be entered and accepted into FFIS by COB September 24, 2010, whether they are updated through direct entry or a feeder system interface job.

- The last day feeder systems will process FY 2010 undelivered orders for inclusion in FY 2010 Financial Statements is September 26, 2010.
- Travel feeder systems will remain available for processing of FY 2010 undelivered orders until September 30, 2010. Obligations entered into these feeder systems after September 25, 2010, will be entered directly into FFIS as period-end estimates by COB September 30, 2010 for inclusion in the FY 2010 reports. The feeder system will continue to run but the interfaces will not be executed (starting on September 27, 2010) in FFIS until the system is opened for the new fiscal year. All backfeed jobs will still continue to run. All activity entered after September 26, 2010, will be dated October 1, 2010 (FY 2011).
- The **final** FY 2010 Administrative Billings and Collections (ABCO) and the **final** FY 2010 Online Payment, Collection, and Reconciliation System (OTRS) jobs will run September 29, 2010.
- Corrections to the suspense files (**SUSF**) must be completed prior to COB on September 30, 2010, for inclusion in FY 2010 reports.
- Corrections to Reprocessed Payroll (**REPROC**) must be completed prior to COB on September 24, 2010, for inclusion in FY 2010 reports.

II. <u>**ANALYZING AND ADJUSTING OBLIGATIONS**</u>

A. <u>Personnel Costs</u>. Regular payroll costs are chargeable to the fiscal year in which the salary is earned. Lump sum payments are chargeable to the fiscal year in which the date of separation occurs. Cash awards are chargeable to the fiscal year in which the award is approved.

COD will use estimated payroll costs for Pay Period (PP) 19. COD will compute obligation estimates for PP 19 that occur in FY 2010. The basis for these estimates will be **140 percent** of the **actual PP 17 costs. Please note:** Period-end estimates should be recorded in FFIS for: (1)any cash awards approved within the last 5 days of the month, and (2) lump-sum leave payments for all separations during September.

The Government Employees Services Division (GESD) will use **estimated payroll costs for PP 19**. GESD will compute obligation estimates for PP 19 that occur in FY 2010. The basis for these estimates will be **140 percent** of the **actual PP 17 costs.** Please refer to **Title I, Payroll/**

Personnel Manual, Chapter 7, Time and Attendance Procedures, Section 1, Time and Attendance Instructions, Bulletin TNAINST 10-1, Fiscal Year-end Reminder, dated May 7, 2010, for all payroll obligation estimates, stored accounting procedures, premium pay charges, and any/all payroll related matters.

1. Accounting Entered in System for Time & Attendance Reporting (Web-based Timekeeping & Attendance).

   a. Stored accounting (Code 1) cannot be used in the accounting Data Usage Code block in PP 20. Payroll accounting can be stored beginning in PP 21 for the new fiscal year.

B. Travel and Transportation (E-Gov & Travel Systems)

1. Government Transportation System. When requesting transportation tickets from SATO, e-GovTrip, travel agencies, travel management centers, or the scheduled airline ticket office using the U.S. Bank Visa account, obligate all travel beginning on or prior to September 30, 2010, as FY 2010 business. All requests for round-trip tickets procured for trips beginning on or prior to September 30, 2010, even though return travel will be after September 30, 2010, should be obligated as FY 2010 business. Since the billing for all tickets issued in September by the travel agency will not be received at COD until October, a period-end estimate should be input to FFIS for the value of all travel commencing in September.

2. Per Diem, Mileage, and Other Incidental Expenses, Including Car Rental

   a. Travel System. For local and relocation charges, i.e., per diem, mileage, and other incidental expenses are chargeable to the fiscal year in which they are actually incurred. If you are not using the obligation feature in the travel system, you may need to prepare a period-end estimate for any unvouchered travel as of September 30, 2010, or a travel voucher not mailed in time to reach COD by 12 noon CDT, September 22, 2010.

   b. e-GovTrip. Charges for per diem, mileage, and other incidental expenses are chargeable to the fiscal year in which they are actually incurred. Ensure that you prepare Travel Order Numbers for approval for any travel up to September 30, 2010.

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Please note: All agencies using Form AD-202 (Revised 11/96) as an obligation document in TRVL should enter a period-end estimate for any AD-202s that will not reach COD by September 21, 2010. All other approved travel in e-GovTrip Travel will have the obligated dollar amounts along with the authorized travel order number (TONO).

C. Procurement of Supplies, Materials, Equipment, and Services.

   Integrated Acquisitions Systems (IAS) – All adjustments and/or updates to the IAS on-line system at the National Finance Center (NFC) complex must be completed by 8:00 PM CDT, September 29, 2010 for all agencies to be included in the final September reports for FY 2010. (Please see the attached **IAS Summary, Exhibit I** for details).

D. Telephone and Utilities - COD will charge FY 2010 when the period of service as shown on the invoice ends September 30, 2010, or earlier, and FY 2010 funds when the period of service ends later than September 30, 2010. COD will develop and report estimates of telephone and utility obligations. The estimates will cover complete unbilled periods of service. Period-end estimates should not be input to FFIS to cover the unbilled September service since the entire October bill will be charged to FY 2011. When the billing period is bi-monthly, billings should be reviewed to ensure that charges are distributed to the proper fiscal year, accordingly.

E. SMARTPAY2 Purchase Card System – COD will charge the FY2010 profile accounting classification established for each credit card for purchases made by September 25, 2010. Period-end estimates should be submitted for purchases made between September 25, 2010, and September 30, 2010. Agencies should contact their Local Agency Program SMARTPAY2 Purchase Card Coordinator to facilitate any changes to the profile accounting. The last file will be run the morning of September 24, 2010. Last day agencies can access SMARTPAY2 is September 24, 2010.

F. Administrative Billings and Collections – All government IBIL's requiring collection before fiscal yearend must be entered by COB September 22, 2010. All others where accounts receivables are to be established must be entered by COB, September 24, 2010. Estimated unbilled receivables should be established for items not input by

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September 24, 2010.
**Please Note: Do not enter any activity with Budget
Fiscal Year 2005 after September 24, 2010.**

III. **<u>ELECTRONIC TRANSMISSIONS FOR FY 2011</u>**

Electronic transmissions for FY 2011 may resume on
September 30, 2010.

Exhibit I

FY 2010 Annual Close TimeLine; Integrated Acquisition System (IAS) Summary Procurement Systems Division

On **Wednesday 29 September 2010,** the Commitment Reversal will run in **FINAL Mode** during the cycle reversing all Commitments that were never obligated and the un-obligated portion of the commitment is reversed in FFIS.

IAS remains up but the MQ Channels between IAS and FFIS are disconnected at the same time FFIS applications go down, approximately 15 minutes prior to 9:00 PM Eastern Daylight Savings Time (EDT) or 8:00 PM Central Daylight Savings Time starting approximately 7:45 PM CDT}. The Final Commitment Reversal Report is used as input to reverse **IQ** lines in IAS that have never been obligated. If it was partially obligated then the **IQ** line is skipped in IAS.

On **Thursday 30 September 2010** at approximately 6:00 A.M. Central Daylight Savings Time (CDT), FFIS Applications will become available as agencies finish their cycles. **FFIS and IAS (limited) are both up;** (not connected via MQ) FFIS will be up for period end estimates. IAS (PRISM and obligation Document Resolution Manager ONLY) will be up for next year's business (use 2011 accounting) or late obligations on commitments that are now reversed (use 2010 accounting). If the procurements are new, then users use "IN" documents with 2010 accounting. At approximately 6:00 PM (CDST), all FFIS applications go down, nightly cycles process documents, and the FDW is updated. Additionally, on **Thursday 30 September 2010,** FFIS **will be up all day** for year-end processing and annual reports etc

At **6:00 AM CDT Friday 1 October 2010,** IAS and FFIS MQ Channels are reconnected and brought up. All FFIS applications are brought up except Forest Service. Accounting periods that will be open are 01 and 13. IAS transactions will default to period 01. The "Retry for Close Button" is enabled in IAS to retry "IO's" without referencing the reversed Commitment. It will remain enabled the entire month of October. On November 1, 2010, it will be disabled. "IO's" and "IN's" will reject for EXPIRED ACCOUNT; this is a level 9 override by the error manager.

For **Deployment 2 agencies, what is the IAS plan relative to D2 agencies since they are not scheduled to cutover until 1 November and 1 December 2010, respectively?** "Since they will be implementing after Annual Close, no special treatment is required. It's business as usual."

(**Please note**: All other questions relative to the IAS system, please contact Walter RossyStiehl at email address: Walter.RossyStiehl@usda.gov or Kim Lepore at email address Kim.Lepore@usda.gov .

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